LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7085 NOTE PREPARED: Jan 9, 2006

BILL NUMBER: HB 1005 BILL AMENDED:

SUBJECT: Autism scholarships.

FIRST AUTHOR: Rep. Behning BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

Summary of Legislation: This bill provides scholarships to the parents of eligible autistic children who attend a school of choice. It makes an appropriation.

Effective Date: July 1, 2006.

Explanation of State Expenditures: The bill provides a scholarship for autistic children to attend a nonpublic school or public school other than school of legal settlement. The bill appropriates sufficient General Fund money to pay for the scholarships. The school must be accredited by the state or a national accrediting body to provide services to autistic children, comply with all health and safety laws, and certify that it will not discriminate in admissions.

The amount of the scholarship is the lesser of:

- (1) The cost of tuition, textbooks, and other mandatory fees charged by the school of choice; or
- (2) Sum of the state basic tuition support, primetime, and vocational grants the student would qualify for per adjusted ADM, plus the special education grant, plus any excess costs of education (S5 costs) the student would qualify to receive.

As of December 2004, there were 5,796 students, identified as autistic, attending public schools. The impact would depend on the number of autistic students that might change schools. To qualify for the scholarship, the student had to attend public school the year before or be eligible to enter public school in the year the scholarship is sought. The scholarships for CY 2007 would range from about \$9,000 to \$19,600 depending on the student's school of legal settlement. The Government Accountability Office (GAO) estimated the 1999-

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2000 cost of educating autistic students to be \$18,800 per student.

Since the student was in public school the prior year and probably would have been counted in the school formula for the current year, the net impact on the state should be minor. (The increase in the expenses for scholarships should be about equal to the reduction in state tuition support.)

Explanation of State Revenues:

Explanation of Local Expenditures: The GAO reports the 1999-2000 estimated expenditure per autistic student was \$18,800, while the average expenditure per special education student was \$12,773. Since the revenue generated in the school formula for autistic students is less than the educational costs, school corporations could experience a net reduction in costs depending on the number of autistic students that might transfer to another school.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local Schools.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.

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